

1 Amend 2 Cal. Code Regs section 18537 to read:

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3 **§ 18537. Contribution Limits and Application to Repaid Loans.**
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5 (a) ~~A loan, other than a loan specified in Government Code section 85307, constitutes a~~
6 ~~contribution and shall be subject to the contribution limits of Government Code sections 85301,~~
7 ~~85302 and 85303.~~ This regulation is applicable to loans received or made that are subject to the
8 contribution limits of Chapter 5 of this title.

9 (b) Forgiveness of a loan made to a candidate or committee ~~within the same election~~
10 ~~cycle in which it is made~~ shall not constitute an additional contribution from the lender for
11 purposes of the contribution limitations.

12 ~~(b)~~ (c) Except as prohibited by Government Code section 85316, repayment ~~Repayment~~
13 of a loan in whole or in part shall enable the lender, guarantor, endorser, or cosigner to make
14 additional contributions to the same candidate or committee ~~during the same election cycle in~~
15 ~~which the loan is made~~ provided that the additional contributions, when combined with the
16 outstanding balance of any loan from that contributor, do not result in a violation of the
17 contribution limits.

18 ~~(c)~~ (d) Each loan received shall be reported as a contribution on the campaign report for
19 the reporting period in which it was received regardless of whether it has been retired, forgiven,
20 or remains outstanding in whole or in part. A candidate or committee which has repaid a loan, in
21 whole or in part, and has received an additional contribution from the lender ~~during the election~~
22 ~~cycle in which the loan was made~~, shall ~~include~~ indicate on the campaign statement ~~for each~~
23 ~~period in which repayment is made~~ a notation indicating that the cumulative amount of the
24 contributor's contribution has been reduced accordingly.

25 NOTE: Authority cited: Section 83112, Government Code. Reference: Sections 84211, ~~85301,~~
3/20/06-Revised 1 18537 Amend

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2 ~~85302, and 85303, 85301-85321~~, Government Code.
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